#### **TITLE 327 WATER POLLUTION CONTROL BOARD**

## FIRST NOTICE OF COMMENT PERIOD

LSA Document #07-142

DEVELOPMENT OF A NEW RULE CONCERNING THE PROCEDURES FOR OBTAINING VARIANCES AND STREAMLINING THE PROCESS FOR OBTAINING A VARIANCE FROM THE WATER QUALITY-BASED EFFLUENT LIMITS FOR CHLORIDE

## **PURPOSE OF NOTICE**

The Indiana Department of Environmental Management (IDEM) is soliciting public comment on the development of a new rule to modify the procedures for obtaining a variance from water quality-based effluent limits (WQBELs) so that Indiana rules are consistent with federal regulations and Senate Enrolled Act (SEA) 620 (P.L.54-2005) and on the development of a new rule to streamline the process for obtaining a variance from the WQBELs for chloride from permitted NPDES dischargers.

CITATIONS AFFECTED: 327 IAC 2-1-8.8; 327 IAC 5-3-4; 327 IAC 5-3-4.1; 327 IAC 5-3.7.

**AUTHORITY:** <u>IC 13-14-8-8</u>; <u>IC 13-14-8-9</u>; <u>IC 13-15-2</u>; <u>IC 13-15-3</u>.

# SUBJECT MATTER AND BASIC PURPOSE OF RULEMAKING Basic Purpose and Background

This rulemaking is in response to the following compliance issues experienced by permitted NPDES dischargers:

- A. Cannot achieve compliance with the effluent limits for chloride.
- B. This rulemaking is also in response to SEA 620 and EPA's regulations specific to the Indiana rules contained in <u>327 IAC 2-1-8.8</u>, <u>327 IAC 5-3-4</u>, and <u>327 IAC 5-3-4.1</u> requiring those rules to be consistent with federal regulations regarding variances from WQBELs.

## Alternatives to Be Considered Within the Rulemaking

A. Permitted NPDES dischargers that cannot achieve compliance with the water quality-based effluent limits for chloride.

**Alternative 1:** Adopt a streamlined variance rule to allow permitted NPDES dischargers to be granted a variance from the WQBELs for chloride for the period of time it will take for the permitted NPDES discharger to obtain compliance with the WQBELs for chlorides.

**Alternative 2:** Do not adopt a streamlined variance rule as described in Alternative 1. Outside of the Great Lakes Basin, facilities would be required to build and operate a wastewater treatment system capable of achieving compliance with WQBELs for chloride within three years of being issued an NPDES permit that contains the chloride limitations. Inside the Great Lakes Basin, facilities would be required to build and operate a wastewater treatment system capable of achieving compliance with WQBELs for chloride within five years of being issued an NPDES permit that contains the chloride limitations.

# B. Modify the procedures for obtaining a variance from WQBELs so that Indiana rules are consistent with federal regulations and SEA 620.

**Alternative 1:** Adopt a variance rule that requires a variance application only be accepted after the WQBEL has been included in a final-issued NPDES permit. It is proposed to model the variance application requirements after the streamlined mercury variance rule application requirements. Doing so would develop a rule where the pollutant minimization program (PMP) requirement is consistent with the PMP requirement of SEA 620 and would also result in a final rule consistent with existing EPA regulations for variances from WQBELs.

**Alternative 2:** Do not adopt a variance rule as described in Alternative 1. This would keep Indiana rules inconsistent with federal regulations. The existing process of allowing variances to be requested by permit holders prior to the issuance of a final NPDES permit that includes the WQBEL for which a variance is being requested requires the final decision on the variance application to be completed prior to the issuance of the final NPDES permit. To date, this process has caused extensive delays in the issuance of an NPDES permit renewal.

## **Applicable Federal Law**

- A. Permitted NPDES dischargers that cannot achieve compliance with the water quality-based effluent limits for chloride: 40 CFR Part 132, Appendix F, Procedure 2.C.
- B. Modify the procedures for obtaining a variance from WQBELs so that Indiana rules are consistent with federal regulations and SEA 620: 40 CFR Part 132, Appendix F, Procedure 2.C.

## **Potential Fiscal Impact**

A. Permitted NPDES dischargers that cannot achieve compliance with the water quality-based effluent limits for chloride: There would be no fiscal impact imposed under Alternative 1 since requesting a variance is voluntary. However, permitted NPDES dischargers taking advantage of the variance could see reduced capital and

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operating costs during the duration of the variance compared to the cost of constructing facilities. Taking advantage of the variance would also give permitted NPDES dischargers the additional time necessary to obtain the funding necessary to build and operate a wastewater treatment plant or to seek alternate methods for achieving compliance with the WQBELs for chloride.

B. Modify the procedures for obtaining a variance from WQBELs so that Indiana rules are consistent with federal regulations and SEA 620: There would be no fiscal impact imposed under Alternative 1 since requesting a variance after the issuance of a final NPDES permit that includes the WQBEL for which a variance is being requested is currently an option in 327 IAC 5-3-4.1. Removing the option to apply for a variance before the issuance of a final NPDES permit that includes the WQBEL for which a variance is being requested will no longer result in the delay of the NPDES permit renewal because the permit will be issued before the variance is requested.

### **Small Business Assistance Information**

IDEM established a compliance and technical assistance (CTAP) program under <u>IC 13-28-3</u>. The program provides assistance to small businesses and information regarding compliance with environmental regulations. In accordance with <u>IC 13-28-3</u> and <u>IC 13-28-5</u>, there is a Small Business Assistance Program Ombudsman to provide a point of contact for small businesses affected by environmental regulations. Information on the CTAP program, the monthly CTAP newsletter, and other resources available can be found at www.in.gov/idem/ctap/.

Small businesses affected by this rulemaking may contact the Small Business Regulatory Coordinator:

Sandra El-Yusuf

**IDEM Compliance and Technical Assistance Program** 

OPPTA - MC 60-04

100 N. Senate Avenue

W-041

Indianapolis, IN 46204-2251

(317) 232-8578

selyusuf@idem.in.gov

The Small Business Assistance Program Ombudsman is:

Stacey Pfeffer

Office of Voluntary Compliance

**OPPTA - MC60-04** 

100 N. Senate Avenue, W-041

Indianapolis, IN 46204-2251

(317) 233-5624

spfeffer@idem.in.gov

#### **Public Participation and Workgroup Information**

An external workgroup will be established for this rulemaking. The workgroup will be made up of a cross section of stakeholders, interested parties, and IDEM staff. When the workgroup is created, information on workgroup meetings and scheduling and agendas of future meetings will be available on the IDEM Web site at: http://www.in.gov/idem/water/planbr/rules/index.html.

If you wish to provide comments to the workgroup on the rulemaking, attend meetings, obtain any additional information on the workgroup, or submit suggestions related to the workgroup process, please contact Michelle Reeves, Rules Section, Office of Water Quality at (317) 233-8587 or (800) 451-6027 (in Indiana). Please provide your name, phone number, and e-mail address, if applicable, where you can be contacted. The public is also encouraged to submit comments and questions to members of the workgroup who represent their particular interests in the rulemaking.

## STATUTORY AND REGULATORY REQUIREMENTS

<u>IC 13-14-8-4</u> requires the board to consider the following factors in promulgating rules:

- (1) All existing physical conditions and the character of the area affected.
- (2) Past, present, and probable future uses of the area, including the character of the uses of surrounding areas.
- (3) Zoning classifications.
- (4) The nature of the existing air quality or existing water quality, as the case may be.
- (5) Technical feasibility, including the quality conditions that could reasonably be achieved through coordinated control of all factors affecting the quality.
- (6) Economic reasonableness of measuring or reducing any particular type of pollution.
- (7) The right of all persons to an environment sufficiently uncontaminated as not to be injurious to human, plant, animal, or aquatic life or to the reasonable enjoyment of life and property.

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## **REQUEST FOR PUBLIC COMMENTS**

At this time, IDEM solicits the following:

- (1) The submission of alternative ways to achieve the purpose of a rule concerning operation and maintenance of small wastewater treatment plants.
- (2) The submission of suggestions for the development of draft rule language.
- (3) Specific cost and effectiveness analyses for operation and maintenance of small wastewater treatment plants.

Mailed comments should be addressed to:

#07-142(WPCB) [Chloride]

Michelle Reeves, Rulewriter

**Rules Section** 

Office of Water Quality

Indiana Department of Environmental Management

100 North Senate Avenue

Indianapolis, Indiana 46204-2251.

Hand delivered comments will be accepted by the IDEM receptionist on duty at the twelfth floor reception desk, Office of Water Quality, Indiana Government Center-North, Room N1255, 100 North Senate Avenue, Indianapolis, Indiana. Comments also may be submitted by facsimile to (317) 232-8406, Monday through Friday, between 8:15 a.m. and 4:45 p.m. Please confirm the timely receipt of faxed comments by calling the Office of Water Quality, Rules Section at (317) 233-8903. Please note that we are not able to take electronic (e-mail) submission of formal comments at this time.

#### **COMMENT PERIOD DEADLINE**

Comments must be postmarked, faxed, or hand delivered by March 30, 2007.

Additional information regarding this rulemaking action may be obtained from Michelle Reeves, Rules Section, Office of Water Quality, (317) 233-8587 or (800) 451-6027 (in Indiana) or technical information concerning variances may be obtained from Catherine Hess, Permits Technical Support Section, Office of Water Quality, (317) 232-8704 or (800) 451-6027 (in Indiana).

> Bruno Pigott Assistant Commissioner Office of Water Quality

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